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No. 91-646

Supreme Court, U.S.
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**In the
Supreme Court of the United States.**

October Term, 1991.

**INVESTACORP, INC.,
Petitioner,**

v.

**ARABIAN INVESTMENT BANKING
CORPORATION
(INVESTCORP) E.C. D/B/A INVESTCORP
AND INVESTCORP INTERNATIONAL, INC.
Respondents.**

**Petition for Writ of Certiorari to
the United States Court of Appeals
for the Eleventh Circuit.**

Petition for Writ of Certiorari

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QUESTIONS PRESENTED.

1. Whether an evidentiary presumption of "suggestiveness" arises from the United States Patent and Trademark Office's decision to allow a mark to be registered without proof of secondary meaning.
2. Whether third party listings of portions of a mark makes that mark "descriptive".

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OPINIONS BELOW.

The opinion of the court of appeals (A. 1a-14a) is reported at ___ F.2d 3500 (11th Cir. 5-29-91); the opinion of the district court (A.15a-27a) is reported at 722 F. Supp. 719 (S. D. Fla. 1989). The decision of the United States Patent and Trademark Office ("PTO") allowing the registrability of the "Investcorp" mark (A. 30a-33a) is identified by application Serial No. 664,563; and the decision of the PTO on the protectability of the "Investacorp" mark (A. 34a-37a) is identified by application Serial No. 688,188.

JURISDICTION.

The decision of the court of appeals was entered on May 29, 1991. A petition for rehearing was denied on July 23, 1991. The jurisdiction of this Court is invoked pursuant to 28 U.S.C. 1254(1).

STATUTORY PROVISION.

The Lanham Act requires the PTO to grant registration of marks that do not fall within certain statutory bars enumerated in section 2 of the Act, 15 U.S.C. 1052:

No trade-mark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it--

* * *

(e) Consists of a mark which, (1) when used on or in connection with the goods of the applicant is merely descriptive....

15 U.S.C. 1052 (e) (1988).

STATEMENT OF THE CASE.

Petitioner-plaintiff, Investacorp, Inc. ("INVESTACORP"), brought suit against respondents-defendants Arabian Investment Banking Corporation (Investcorp, E.C.) and Investcorp International, Inc. (both defendants referred to as "INVESTCORP") based upon claims of service mark infringement and unfair competition, among other claims. Jurisdiction was based upon 15 U.S.C. 1125 (a). Upon cross motions for summary judgment, the United States District Court for the Southern District of Florida entered judgment in favor of INVESTCORP.

The lower court found the service mark "Investacorp" to be "descriptive"; protection was denied because secondary meaning was not established. In support of this finding, the court relied on a list of purported third party users of the formative "invest" as probative of the "descriptiveness" of the mark.

Upon review, the court of appeals refused to make an evidentiary presumption that the mark was "suggestive" as concluded by the United States Patent and Trademark Office. The court further concluded that third party listings of the formative "invest" makes "Investacorp" descriptive. Thus, the appellate court affirmed the lower court's decision.

INVESTACORP is a Florida corporation whose primary business is providing financial services as a broker/dealer and as an intermediary between individuals, corporations and institutions seeking investment opportunities. INVESTACORP began using its service mark "Investacorp" in 1978 to designate the services it performed and at all times did continue using the mark without abandonment. There are two respondents in this case: Investcorp E.C., the parent corporation, and its wholly owned subsidiary, Investcorp International, Inc. Investcorp E.C. is an investment bank headquartered in Bahrain which began doing business in the United States under that name in 1983.

In June of 1987, INVESTCORP filed for federal service mark registration, Serial No. 664,563, claiming a protectable interest in its mark "Investcorp". The United States Patent and Trademark Office (PTO) permitted the application to proceed to registration without proof of secondary meaning. The PTO did not find the mark "Investcorp" to be descriptive. It thereafter passed the mark to publication for potential opposition to registration. INVESTACORP opposed the registration of "Investcorp"

in February, 1988 based upon its prior use of the mark "Investacorp".

Prior to the opposition, in October 1987, INVESTACORP filed for federal service mark registration, Serial No. 688,188, for its mark "Investacorp". The PTO issued an Office action refusing to register the mark based upon the earlier filed application for the mark "Investcorp". The PTO did not find the mark "Investacorp" to be descriptive.

ARGUMENT.

EVIDENTIARY PRESUMPTION OF SUGGESTIVENESS

The Eleventh Circuit Court of Appeals failed to accord a presumption of protectability to the "Investacorp" mark. The presumption arises from either or both of the PTO's two actions which found the "Investacorp" and "Investcorp" marks to be protectable without proof of secondary meaning. The court of appeals failure is in direct conflict with the decisions of other United States courts of appeal regarding this issue. These courts hold that an evidentiary presumption of "non-descriptiveness" of a mark arises from the PTO's decision to register the mark without proof of secondary meaning.

"Most courts that have considered the issue do hold that the PTO's decision to register a mark without requiring proof of secondary meaning creates a rebuttable presumption that the mark is suggestive, arbitrary, or fanciful rather than merely descriptive." *GTE Corporation v. Williams*, 904 F.2d 536, 538 (10th Cir. 1990). The Eleventh Circuit, however, held that it would "not defer to an ethereal determination that is not affirmatively stated by the [PTO]." *Investacorp, Inc. v. Arabian Investment*

Banking Corporation (Investcorp) E.C., ___ F.2d 3500, 3506 (11th Cir. 1991). Since the PTO did not affirmatively state that the marks "Investacorp" and "Investcorp" were not descriptive, the court reasoned that it would not defer to that agency's conclusion of protectability even though it acknowledged that "it is proper to defer to *any* determination made by the agency 'entrusted with the duty of administering the Lanham Act,'...." *Id.* (Emphasis Added). The court resorted to a form-over-substance logic to overrule the PTO's decision. This action is contrary to the fundamental principles of law.

Five different courts of appeal, including the United States District Court for the Southern District of Florida, that have considered this issue have held that the PTO's decision to register a mark without requiring proof of secondary meaning creates a rebuttable presumption that a mark is not merely descriptive. *See, e.g., GTE Corporation, supra; Papercutter, Inc. v. Fay's Drug Co., Inc.*, 900 F.2d 558, 563 (2d Cir. 1990); *Wynn Oil Company v. Thomas*, 839 F.2d 1183, 1190 (6th Cir. 1988); *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1528-29 (4th Cir. 1984); *Playboy Enterprises, Inc. v. Chuckleberry Publishing, Inc.*, 687 F.2d 563, 567 (2d Cir. 1982); *The Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 673 (7th Cir. 1982); *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 11 (2d Cir. 1976). *See also Rubber Specialty, Inc. v. Sneaker Circus, Inc.*, 195 U.S.P.Q. 798, 801 (S.D. Fla. 1977). *But see EZ Loader Boat Trailers, Inc. v. Cox Trailers, Inc.*, 746 F.2d 375, 379 (7th Cir. 1984) (conflict within the Seventh Circuit).

The Fourth Circuit has perhaps best articulated the reasons for adopting the presumption of nondescriptiveness:

If the Patent and Trademark Office finds the mark suggestive..., it will grant registration without requiring proof of secondary meaning. The

significance of registration without proof of secondary meaning in this case, as it is in any similar case, is that *the Patent and Trademark Office has "concluded" that the mark or figure was not "merely descriptive" 'but suggestive'"* and this "essential fact [i.e., the action of the Patent and Trademark Office] must be considered prima facie correct by a court in considering the validity of a trademark, or the prima facie evidence rule would be rendered ineffective.

Pizzeria Uno Corp. v. Temple, 747 F.2d at 1529 (Emphasis Added).

The fundamental conflict created by the Eleventh Circuit's minority holding resides in its misbelief that the PTO has the discretion to make a affirmative, recorded finding of non-descriptiveness. It does not.

The Lanham Act requires the Patent and Trademark Office to grant registration of marks that do not fall within certain statutory bars, enumerated in section 2 of the Act, 15 U.S.C. 1052. The Patent and Trademark Office has the burden of proof "that the mark sought for registration falls within the statutory bars of section 2."

GTE Corporation v. Williams, 904 F.2d at 538 n. 2 quoting 2 J. McCarthy, TRADEMARKS AND UNFAIR COMPETITION, Section 19:25 at 928 (2d ed. 1984). Thus, the PTO will only make an affirmative finding of statutory non-compliance (i.e. that a mark is merely descriptive) and not statutory compliance. It is erroneous for the court of appeals to impose a burden that is legally impossible to prove.

Professor McCarthy, a well known commentator in the field of trademark and service mark law, has adopted

appellate judicial precedent which more resolutely adheres to the PTO's findings:

[W]here it can be argued with equal force that a mark is descriptive and on the contrary that it is arbitrary and fanciful, *the courts should not overrule the action of the Patent [and Trademark] Office to whose care Congress has entrusted the preliminary determination as to whether a mark fulfills the requirements of the statute.*

See 2 J. McCarthy, *supra*, Section 11:16 (citation omitted) (Emphasis Added).

The court of appeals substituted its opinion for that of the PTO. It overruled the PTO's decision confirming the protectability and registrability of the marks. The decision of the Eleventh Circuit results in federal question forum shopping. This Court should prevent such a result.

THIRD PARTY USE

In addition to the appellate court's divergence from the majority respecting PTO evidentiary presumptions of suggestiveness, the court also considered third party listings to support its finding. However, the manner in which that court relied upon listed "third party use" mandates review.

The court of appeals found that a list of users of the formatives "invest" and "corp" supported its conclusion that "Investacorp" was a descriptive service mark. It further found that competitors need to use these terms in order to render financial services. However, it was improper for the court to: (1) rely on a list alleged users as evidence of use; (2) consider formatives of the mark "Investacorp" instead of reviewing the mark in its entirety; (3) fail to consider the type of services provided by the third parties and whether those services were being provided under an

active use of the mark; (4) fail to consider whether such use was made in a descriptive manner, and; (5) conclude that competitors need to use formatives of the mark to render competitive services.

First, the court relied upon a list of alleged users of the formative "invest" to support its finding. A list of use is not probative of actual use. *See Turner v. H.M.H. Publishing Company, Inc.*, 380 F.2d 224, 228 n.2 (5th Cir. 1967) *cert. denied*, 389 U.S. 1006 (1967); *Miss Universe, Inc. v. Little Miss U.S.A., Inc.*, 212 U.S.P.Q. 425, 429 (N.D. Ga. 1981). *See also* 1 J. McCarthy, TRADEMARKS AND UNFAIR COMPETITION, Section 11:26 (1973). The court completely ignored this issue.

Second, by referring to only the formative "invest", the court failed to consider the entirety of that third party listing vis-a-vis the subject mark. INVESTACORP makes no claim to words such as "investment" or "investor", or of like "invest" formatives, which comprise a majority of the listed users' names. The appellate court did not consider this factor.

In *Safeway Stores, Inc. v. Safeway Discount Drugs, Inc.*, 675 F.2d 1160 (11th Cir. 1982), the court stated that "a consideration relevant in determining the significance of third party use is the entire name a third party uses." *Id.* at 1165. Further, though terms considered individually may denote characteristics of a particular good or service, it does not follow that "because the components of a compound mark are descriptive, that the mark in its entirety is descriptive." *The Firestone Tire & Rubber Company v. The Goodyear Tire & Rubber Company*, 186 U.S.P.Q. 557, 559 (T.T.A.B. 1975) ("Biasteel" trademark) *aff'd* 189 U.S.P.Q. 348 (C.C.P.A. 1975). *See also Citibank N.A. v. Citibanc Group, Inc.*, 724 F.2d 1540 (11th Cir. 1984) ("Citibank" service mark); *Yamaha Corp. of America v. Ryan*, 13 U.S.P.Q.2d 1157 (C.D. Cal. 1989) ("Musicsoft"

trademark).

One need not speculate with respect to the "invest" formative. That component of a compound mark has previously been determined not to render the mark, in its entirety, descriptive. In *Investographs, Inc. v. Dynamics Investment Service, Inc.*, 130 U.S.P.Q. 43 (T.T.A.B. 1961), the Trademark Trial and Appeal Board concluded that the service marks "Invest-o-gram" and "Investograph" for investment newsletter services were protectable interests. It found that "when considered in their entireties, [the service marks] extend beyond the term 'invest'." *Id.* at 44. The court's failure to comment on, or at least distinguish, this case which was presented below begs review. The entirety of the "Investacorp" service mark is the yardstick to judge its protection and not its component make-up.

Third, the court of appeals recognized a "handful of businesses who use the combination of the formatives 'invest' and 'corp' in their mark," *Investacorp, Inc. v. Arabian Investment Banking Corporation (Investcorp) E.C.*, ___ F.2d at 3505, to support its finding. The court, however, failed to recognize the types of goods or services provided by those listed users and whether or not their listed use was active.

A review of the record suggests that the "handful" of businesses breakdowns as follows: (1) one "Investcorp" mark was listed as a state of Minnesota registered service mark, however, the service provided was for construction and repair; (2) two "Investicorp" marks were listed with no identification of the type of goods or services provided; and (3) one abandoned "Investacorp" trademark application (abandoned on March 29, 1985) was listed for computer software goods. Again, no evidence was proffered on the activity of use regarding these marks. Further, these uses are wholly unrelated to the use for which either "Investacorp" or "Investcorp" is made by these parties. The

type of business in which the third party use is engaged is relevant in determining the significance of that use. *Safeway Stores, Inc. v. Safeway Discount Drugs, Inc.*, 675 F.2d at 1165. The court of appeals did not address this issue.

Fourth, the appellate court did not consider if the listed third party users used the "invest" formative in a descriptive manner. Review of the record supports that they did not. In fact, the record clearly supports that the said formative was used strictly as a source identifier of the names of the particular companies and not used in a descriptive manner. Even the respondents use their mark "Investcorp" as a source identifier as evidenced by their attempt to register that mark with the PTO. Where there is no evidence that other users have used "Investacorp" to describe financial services, this is evidence that the term is neither a natural nor obvious way to describe the services. See *The Firestone Tire & Rubber Company, supra*; *In re Dollar-A-Day Rent-A-Car Systems, Inc.*, 173 U.S.P.Q. 435 (T.T.A.B. 1972) (No descriptive use by others is a strong argument in favor of non-descriptiveness).

Fifth, the court concluded the issue of distinctiveness by finding that competitors "need to use [the] terms ['invest' and 'corp']." *Investacorp, Inc. v. Arabian Investment Banking Corporation (Investcorp) E.C.*, ___ F.2d at 3505. Even though this test is improperly based upon formatives rather than the entirety of the mark, the finding is unsupportable.

While "over eighty competing broker-dealers use the word 'invest' in their mark," *Id.*, over twelve thousand other broker-dealers do not. Furthermore, if the court's finding were correct, then why do not some of the largest world-wide broker-dealers use that term as part of their mark, for example: Dean Witter Reynolds, Inc.; Goldman Sachs & Co.; Merrill Lynch Pierce Fenner & Smith, Inc.;

Painewebber; Prudential Securities; Shearson Lehman Brothers; and Smith Barney Harris Upham & Company, Incorporated. Clearly the competitors of INVESTACORP do not need to use the term "invest" in their name and neither use, nor need to use, the term "Investacorp" as part of their mark.

CONCLUSION.

The PTO did not refuse to register either "Investacorp" or "Investcorp" on the ground of descriptiveness. *See* TRADEMARK MANUAL OF EXAMINING PROCEDURE, Section 1209 (6th rev. 1986). *See also* 15 U.S.C. 1052(e)(1). Thus, the category under which those marks must fall is "suggestive" and not "descriptive". The appellate court's decision to substitute its opinion over that of the PTO ignores the substance of the PTO's decisions and directly conflicts with the majority holding of the courts of other circuits. Not only does a presumption of protection arise from the PTO's decisions with respect to "Investacorp" and "Investcorp", but the respondents own attempt to register their mark acts as an estoppel to assert that the marks are not protectable.

Many issues of fact remain regarding third party usage. The courts below need to address the entire "Investacorp" mark, and services rendered thereunder, when considering the significance of third party use. Actual use is the issue, not listed use. The record is clear, however, that third party use of the mark "Investacorp" for financial services is non-existent.

Reversal and remand are respectfully requested.

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October 17, 1991

Appendix A.

**United States Court of Appeals
for the Eleventh Circuit**

No. 89-6060

**INVESTACORP, INC.,
Plaintiff-Appellant,**

v.

**ARABIAN INVESTMENT BANKING
CORPORATION
(INVESTCORP) E.C. D/B/A INVESTCORP
AND INVESTCORP INTERNATIONAL, INC.
Defendants-Appellees.**

**Before
Johnson and Hatchett, Circuit Judges,**

**Smith, Senior U.S. Circuit Judge.
(sitting by designation)**

**MEMORANDUM AND ORDER
Entered May 29, 1991**

Plaintiff, Investacorp, Inc. (Investacorp), appeals the grant of summary judgment entered in favor of defendants, Arabian Investment Banking Corporation (Investcorp E.C.) and Investcorp, International, Inc. (Investcorp

International) on claims of service mark infringement and unfair competition. 722 F.Supp. 719. Because the undisputed facts show appellant does not have a protectable interest in its claimed service mark, we affirm the judgment of the United States District Court for the Southern District of Florida.

Facts

Appellant, Investacorp, is a Florida corporation whose primary business is providing financial services as a broker/dealer and as a financial intermediary between individuals, corporations and institutions seeking investment opportunities. There are two appellees in this case: Investcorp E.C., the parent corporation, and its wholly owned subsidiary, Investcorp International. Investcorp E.C. is an investment bank headquartered in Bahrain which began doing business in the United States under that name in 1983. Investcorp International was created by Investcorp E.C. in November of 1986 to continue conducting the business of its parent in the United States. Hereinafter, the two co-appellees will be referred to as "Investcorp".

Investcorp filed for federal service mark registration in June of 1987. The Patent and Trademark Office (PTO) allowed the Investcorp service mark to pass for potential opposition to registration. Four months later, in October 1987, Investacorp filed for federal service mark registration. In February, 1988, Investacorp filed a Notice of Opposition with the Trademark Trial and Appeal Board of the PTO, opposing registration of the Investcorp service mark.

Later in 1988, Investacorp sued Investcorp on several counts of service mark infringement and unfair competition. The district court granted summary judgment in favor of defendant on all counts of the complaint,

because it determined that plaintiff does not have a proprietary interest in the mark "Investacorp". Plaintiff appeals to this Court asserting that genuine issues of material fact are involved in the trial court's summary resolution of the claims.

Issues

We must determine whether the district court's finding involved the resolution of an issue of material fact. As an appellate court, we must also determine the applicable law, independent of that interpretation rendered by the district court. If no issue of material fact was presented and the independently determined applicable law supports the grant of summary judgment ordered by the district court, then we must affirm.¹

Opinion

Plaintiff, Investacorp, alleges that defendants, Investcorp, unfairly competed by infringing on plaintiff's unregistered service mark. Appellant asserts that the district court should have found genuine issues of material fact presented in the following counts: Federal service mark infringement,² Florida common law service mark infringement, Florida common law unfair competition, and violation of the Florida anti-dilution law.³ As the parties do in their briefs, we evaluate the federal service mark infringement claim as a measuring stick for the whole host of claims that appellant asserts. If the federal service mark claim fails in this case for the reason cited by the district court, that plaintiff had no proprietary interest in the

¹ Fed.R.Civ.P. 56(c).

² Lanham Act Section 43(a), 15 U.S.C. Section 1125(a) (1988).

³ Fla. Stat. Ann. Section 495.151 (West 1988).

"Investacorp" mark, then all of appellant's claims will fail.

Prima Facie Service Mark Infringement

To prove service mark infringement in this case, plaintiff must prove (1) that defendant used a term in commerce (2) in connection with their services (3) which is likely to be confused with the term (4) in which plaintiff possesses the right to use to designate their services.⁴ Appellee concedes that elements (1) and (2) are present. The district court, however, found that plaintiff did not own the right to designate its service with the term "Investacorp" and hence had no protectable interest that could be infringed. Consequently, summary judgment was entered for defendant.

In order for defendant to infringe on plaintiff's mark, plaintiff must have a protectable property interest in the mark "Investacorp".⁵ Ordinarily, such an interest is derived when a business uses a mark to represent its services.⁶ Each time a business uses a mark, it enhances the customer recognition of the mark and its association with the service, thereby inuring to the business greater rights in the mark.⁷ However, a business does not automatically obtain rights in a mark by using it. A business will obtain rights in a mark upon first use only if the mark is

⁴ Lanham Act Section 43(a), 15 U.S.C. Section 1125(a) (1988).

⁵ *American Television & Communications Corp. v. American Communications & Television, Inc.*, 810 F.2d 1546, 1548, 1 U.S.P.Q.2d 2084, 2085 (11th Cir. 1987).

⁶ 1 J. McCarthy, TRADEMARKS AND UNFAIR COMPETITION Section 16:1 (2d ed. 1984).

⁷ *Id.*

"inherently distinctive."⁸ If the mark is not inherently distinctive, a business may obtain rights in the mark when it attains a secondary meaning.⁹ Therefore, to determine if and when plaintiff obtained rights in the mark "Investa-corp," we must determine if the mark "Investacorp" is inherently distinctive.

The Categories of Distinctiveness

There are four categories of distinctiveness in which a service mark may be classified.¹⁰ In ascending order they are: (1) Generic; (2) descriptive; (3) suggestive; and (4) arbitrary or fanciful.¹¹ The demarcation between each category is more blurred than it is definite.¹² A term which suggests the basic nature of the service is generic.¹³ The term "Milk Delivery" is an example of a generic service mark for a hypothetical milk delivery service.¹⁴ A generic term is typically incapable of achieving service mark protection because it has no distinctiveness.¹⁵ A

⁸ *Id.* at Section 16:2.

⁹ *Id.*

¹⁰ *American Television*, 810 F.2d at 1548, 1 U.S.P.Q.2d at 2085.

¹¹ *Id.*

¹² *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1183, 207 U.S.P.Q. 278, 282 (5th Cir. 1980), *cert. denied*, 450 U.S. 981, 101 S.Ct. 1516, 67 L.Ed.2d 816 (1981).

¹³ *American Television*, 810 F.2d at 1548, 1 U.S.P.Q.2d at 2086.

¹⁴ The examples given in this paragraph are believed to be hypothetical service marks for a fictional milk delivery service. The examples are given strictly for pedagogical reasons and have no legal effect.

¹⁵ *American Television*, 810 F.2d at 1548, 1 U.S.P.Q.2d at 2086.

descriptive term merely identifies a characteristic or quality of a service.¹⁶ An example of a descriptive service mark might be "BarnMilk." Because a descriptive service mark is not inherently distinctive, it may be protected only if it acquires a secondary meaning.¹⁷ The personal name component of a service mark such as "Barney's" to denote a milk delivery service is also considered not inherently distinctive and hence merely descriptive.¹⁸ However, if the personal name mark acquires secondary meaning, it is afforded the strength of an inherently distinctive mark.¹⁹ Marks which are descriptive of geographic location of the source of the service are treated in the same manner as personal name marks.²⁰ A suggestive term suggests the characteristics of the service "and requires an effort of the imagination by the consumer in order to be understood as descriptive" of the service.²¹ "Barn-Barn" is an example of a suggestive term. Because a suggestive service mark is inherently distinctive, no proof of secondary meaning is required for it to be protectable.²² "An arbitrary or fanciful [term] bears no relationship to the service."²³ Arbitrary and fanciful terms are also inherently distinctive, so they are protectable without proof of secondary meaning. "Barnbarnfish" is an example of an arbitrary or

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ J. MCCARTHY, *supra* note 6, Section 13:2.

¹⁹ *Id.*

²⁰ *Id.* at Section 14:1.

²¹ *American Television*, 810 F.2d at 1549, 1 U.S.P.Q.2d at 2086.

²² *Id.*

²³ *Id.*

fanciful service mark.

Distinctiveness Inquiry

The district court determined that the term "Investacorp" was descriptive. Because the distinctiveness categorization given a term is a question of fact,²⁴ we must determine whether the district court's finding involved a genuine issue of material fact.²⁵

Investacorp is a corporation in the business of advising their customers in corporate investment opportunities. Pursuant to a customer's desires, Investacorp sells stocks, bonds and other securities which are often initially issued by corporations. The two key formatives in the term "Investacorp" are "invest" and "corp". "Invest" is the verb "to commit (money) in order to earn a financial return,"²⁶ and "corp" is the widespread abbreviation for a corporation. It is beyond doubt that the term "Investacorp" bears a relationship to the type of services being offered by plaintiff. Hence, it cannot be an arbitrary or fanciful term.²⁷ The only two categories remaining that are eligible for service mark protection are the descriptive and suggestive categories. Thus, we must determine whether the mark is descriptive or suggestive.

To determine whether a term is descriptive, third party

²⁴ *Soweco*, 617 F.2d at 1183 n. 12, 207 U.S.P.Q. at 282 n. 12.

²⁵ Fed. R. Civ. P. 56(c).

²⁶ WEBSTER'S NEW COLLEGIATE DICTIONARY, 603 (1979).

²⁷ See J. MCCARTHY, *supra* note 6, Section 11:2.

usage by competitors is probative.²⁸ We reject appellant's argument that third party usage is not relevant to the distinctiveness inquiry because there is a plethora of authority embracing the relevancy of third party usage.²⁹

The likelihood of prospective use by competitors is high. Both of the two formatives "invest" and "corp" pervade the lexicon of business terminology. Because the two formatives are indispensable to the investment services industry, we agree that it is very likely that competitors will need to use these terms.

Moreover, the popularity of actual use of the two key formatives also indicates that the mark is descriptive.³⁰ Over eighty competing broker-dealers use the word "invest" in their mark, and there are a handful of businesses who use some combination of the formatives "invest" and "corp" in their mark. We find the popularity of use by competitors is extreme.

Also probative of the descriptiveness of a mark is the idea that is conveyed to the observer by the plain dictionary definition of the formatives comprising the mark.³¹ In this case, the two formatives combined in the

²⁸ *Vision Center v. Opticks, Inc.*, 596 F.2d 111, 116, 202 U.S.P.Q. 333,338 (5th Cir. 1979), cert. denied, 444 U.S. 1016 100 S.Ct. 668, 62 L.Ed.2d 646 (1980).

²⁹ *In re Bongrain Int'l Corp.*, 894 F.2d 1316, 1317 13 U.S.P.Q.2d 1727, 1728 (Fed. Cir. 1990); *Burke-ParsonsBowlby Corp. v. Appalachian Log Homes, Inc.*, 871 F.2d 590, 593, 10 U.S.P.Q.2d 1443, 1445 (6th Cir. 1989); *Security Center, Ltd. v. First Nat'l Security Centers*, 750 F.2d 1295, 1298-1299, 225 U.S.P.Q. 373, 375-76 (5th Cir. 1985); *Telemed Corp. Tel-Med, Inc.*, 588 F.2d 213, 218, 200 U.S.P.Q. 427 432 (7th Cir. 1978).

³⁰ *Vision Center*, 596 F.2d at 117, 202 U.S.P.Q. at 339.

³¹ *Id.* at 116, 202 U.S.P.Q. at 338.

term "Investacorp" literally convey to the observer that appellant is in the business of investing in corporations. Because the customer who observes the term can readily perceive the nature of plaintiff's services, without having to exercise his imagination, the term cannot be considered a suggestive term.³² The only remaining categorization that is eligible for protection is the descriptive category. Accordingly, "Investacorp" must be merely descriptive.

Plaintiff relies on the inaction of the Patent and Trademark Office to inject an issue of fact into the district court's determination of distinctiveness. When the defendant submitted the "Investcorp" mark application, the PTO passed the mark on to publication. Because a finding of descriptiveness is one of the grounds for refusal of registration, appellant argues that the PTO must have decided that "Investcorp" was not merely descriptive; otherwise, the PTO would not have passed the mark on to publication according to Section 1209 of the TRADEMARK MANUAL OF EXAMINING PROCEDURE.³³ Moreover, appellant notes, the PTO opted to reject plaintiff's subsequent application to register "Investacorp" because the similar "Investcorp" application was pending, instead of on the ground that it was merely descriptive. Plaintiff argues that this indicated that the PTO found the similar mark also not descriptive.

Plaintiff asserts that these two facts negatively imply that the PTO found that both marks, "Investacorp" and "Investcorp," were not merely descriptive. Consequently, because it is proper to defer to any determination made by the agency "entrusted with the duty of administering the Lanham Act," appellant argues that we must accept the

³² *Id.*

³³ (6th rev. 1986).

determination made by the PTO in accord with *Wynn Oil Co. v. Thomas*.³⁴

The soft spot in appellant's argument is that there is no recorded finding by the PTO that either service mark was not descriptive. Consequently, all that this Court can do is guess at what the PTO's determinations were while evaluating the merit of each mark. We do not know whether the PTO even considered the descriptiveness of either mark. Although we will bestow proper respect to the determinations of the PTO, we will not defer to an ethereal determination that is not affirmatively stated by the administrative agency. Therefore, withstanding the implications that appellant points out, the finding that "Investacorp" is merely descriptive involved no genuine issue of material fact. Consequently, in heeding the proposition that the descriptiveness category encompasses a broad range,³⁵ the term "Investacorp" is merely descriptive and hence is not inherently distinctive.

Secondary Meaning

Because the term is not inherently distinctive, for appellant to have a protectable interest in the term "Investacorp," it must have attained secondary meaning before the date that appellee used the similar term "Investcorp".³⁶ The district court determined that the term "Investacorp" did not attain secondary meaning by the time appellees first used it. Because the existence of secondary

³⁴ 839 F.2d 1183, 1190, 5 U.S.P.Q.2d 1944, 1949 (6th Cir. 1988).

³⁵ *Vision Center*, 596 F.2d at 116, 202 U.S.P.Q. at 338.

³⁶ *Co-Rect Products, Inc. v. Marvy! Advertising Photography, Inc.*, 780 F.2d 1324, 1330, 228 U.S.P.Q. 429, 431 (8th Cir. 1985).

meaning is a question of fact,³⁷ we determine whether this determination required the resolution of a genuine factual issue.

Because secondary meaning must attach to the mark before appellee first used the mark, we must determine the date that appellee first used the mark "Investcorp". The district court decided that appellee first used the mark in March of 1983. Appellant disputes this finding by pointing out certain facts. Investcorp E.C. first began using the service mark in March of 1983. In June of 1987, Investcorp E.C. created a subsidiary entitled Investcorp International to be responsible for conducting all of Investcorp's business in the United States. Investcorp E.C., the parent, licensed to Investcorp International the right to use the "Investcorp" service mark in the United States.

Appellant asserts that because the parent, Investcorp E.C., intended not to use the mark in the United States, it had abandoned the use of the mark. The argument goes that the previous use by the parent corporation between 1983 and 1987 does not count because it had abandoned the mark. Hence, appellant argues that appellee's first use did not occur until 1987, when the subsidiary, Investcorp International, first began using the mark in the United States.

To establish abandonment, appellant must prove (1) nonuse and (2) intent not to resume use.³⁸ Appellant's

³⁷ *Aloe Creme Laboratories, Inc. v. Milsan, Inc.*, 423 F.2d 845, 849, 165 U.S.P.Q. 37, 41 (5th Cir.) *cert. denied*, 398 U.S. 928, 90 S.Ct. 1818, 26 L.Ed.2d 90 *reh'g denied*, 400 U.S. 856, 91 S.Ct. 23, 27 L.Ed.2d 95 (1970).

³⁸ *E. Remy Martin & Co., S.A. v. Shaw-Ross International Imports, Inc.*, 756 F.2d 1525, 1532, 225 U.S.P.Q. 1131, 1136 *reh'g denied, en banc*, 765 F.2d 154 (11th Cir. 1985).

argument is disingenuous because although Investcorp E.C. did not intend to use the mark in the United States, it intended Investcorp International, its wholly-owned subsidiary, to continue the use of the mark in its place. All that occurred was a reorganization of Investcorp's structure; the intent was for Investcorp to continue to use the mark through its subsidiary, Investcorp International. Therefore, Investcorp never intended to cease using the "Investcorp" mark and there was no abandonment. Thus, Investcorp's first use of their mark occurred in March of 1983, and the secondary meaning of "Investacorp" must attach by that date.

Secondary meaning is the connection in the consumer's mind between the mark and the provider of the service.³⁹ Plaintiff has the burden of sustaining a high degree of proof in establishing a secondary meaning for a descriptive term.⁴⁰ This requisite high degree of proof must be considered by the court when ruling on a motion for summary judgment.⁴¹ Absent consumer survey evidence, as is the case here, four factors can be considered in determining whether a particular mark has acquired a secondary meaning:

- (1)[T]he length and manner of its use; (2) the nature and extent of advertising and promotion; (3) the efforts made by the plaintiff to promote a conscious connection in the public's mind between the name and the plaintiff's ... business; and (4) the extent to which the public actually identifies the

³⁹ *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1536 n. 14, 1 U.S.P.Q.2d 1161 (11th Cir. 1986).

⁴⁰ *Vision Center*, 596 F.2d at 119, 202 U.S.P.Q. at 341.

⁴¹ *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986).

name with the plaintiff's [service.]⁴²

Appellant began designating their services with the "Investacorp" mark in January of 1978. Thus, the length of appellant's use of the mark was five years prior to the appellee's use of their mark. However, there is nothing significant about the manner of appellant's use of the mark, other than appellant merely "displayed its service mark on nearly all of its transactional documents."

The nature and extent of appellant's advertisement and promotion and its achievement of a conscious connection in the public's mind between the mark and the appellant's business during the relevant time period is far short of spectacular. During this period, appellant's advertising expenditures did not exceed one-hundred dollars per month. Although, appellant emphasizes growth and showed a high ratio of sales dollars to advertising dollars during the relevant period, this fact does not indicate that appellant's bantam advertising campaigns made major inroads to the consumer psyche.

The evidence that the public actually identifies the mark with appellant's business is also lacking. Although instances of consumer confusion are probative of secondary meaning,⁴³ the few isolated instances cited by appellant are not adequate to present a genuine issue of material fact. Consequently, we agree that the undisputed facts show that the mark "Investacorp" did not acquire secondary meaning before the end of the relevant time period.

Conclusion

⁴² *Conagra, Inc. v. Singleton*, 743 F.2d 1508, 1513, 224 U.S.P.Q. 552, 555 (11th Cir. 1984).

⁴³ *McCarthy*, *supra* note 6, Section 15:3.

In order to prove all of its claims, appellant must establish ownership of the right to use the mark to designate its services. Because the undisputed facts show that the "Investacorp" mark is not inherently distinctive, a protectable interest does not attach until the mark acquires a secondary meaning. The district court found that the undisputed facts established that "Investacorp" did not acquire secondary meaning before appellee commenced use of their similar service mark, "Investcorp". Therefore, appellant does not own a protectable interest in the "Investacorp" service mark. We agree with the district court's view of the evidence. Accordingly, as a matter of law, appellee did not infringe on the appellant's service mark or unfairly compete with appellant because appellant never owned a protectable interest in the mark, "Investacorp", and appellee is entitled to judgment. Affirmed.

Appendix B.

**United States District Court
Southern District of Florida**

CASE NO. 88-1962-CIV-SCOTT

**INVESTACORP, INC.,
Plaintiff,**

v.

**ARABIAN INVESTMENT BANKING
CORPORATION (INVESTCORP) E.C.,
et.al.,
Defendants.**

**MEMORANDUM OPINION ON MOTIONS
FOR SUMMARY JUDGMENT**

Plaintiff, Investacorp, Inc. ("Investacorp"), instituted this action against Defendants, Arabian Investment Banking Corporation (Investcorp) E.C. ("Investcorp E.C.") and Investcorp International, Inc. ("Investcorp International"), claiming: (1) service mark infringement under section 43 of the Lanham Act, 15 U.S.C. Section 1125(a) (Count I); (2) federal common law unfair competition (Count II); (3) federal common law service mark infringement (Count III); (4) Florida common law service mark infringement (Count IV); (5) Florida common law unfair competition (Count V); and (6) violation of the Florida anti-dilution statute, Fla. Stat. Section 495.151 (Count VI). The case is before the Court on cross motions for summary judgment filed pursuant to Rule 56 of the Federal Rules of Civil Procedure.

I. Background

Plaintiff Investacorp is a Florida corporation whose primary business is that of a financial services company providing services as a broker/dealer and as a financial intermediary between individuals, corporations and institutions seeking investment opportunities through a nationwide network of licensed registered representatives. Defendant Investcorp E.C. is an investment bank headquartered in Manama, Bahrain. It provides investment and advisory services in real estate, direct investment, portfolio investment, treasury and regional banking investment activities for a broad range of investors throughout the Gulf region. Defendant Investcorp International is a wholly-owned subsidiary of Investcorp E.C. and is headquartered in New York.

In June 1987, Investcorp E.C. filed an application for federal registration of the "Investcorp" mark. Four months later, in October 1987, Investacorp sought registration of its mark "Investacorp", and in February, 1988 filed a Notice of Objection to Investcorp E.C.'s registration request.¹ This suit followed.

On the eve of trial and with discovery completed, both plaintiff and defendants moved for summary judgment. Plaintiff has moved for partial summary judgment as to its claims for service mark infringement. Simultaneously, Defendants have moved for an order granting summary judgment in their favor as to all claims asserted against them. The Court heard oral argument on these motions on August 29, 1989.

II. Legal Standard

Summary judgment is proper "if the pleadings,

1 Proceedings regarding the parties' registration applications have been stayed pending resolution of this case.

depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c). The burden is on the moving party to demonstrate the absence of a genuine issue as to any material fact. *Keiser v. Coliseum Properties, Inc.*, 614 F.2d 406 (5th Cir. 1980). This burden "may be discharged by showing -- that is, pointing out to the District Court -- that there is an absence of evidence to support the nonmoving party's case." *Celotex Corp. v. Catrett*, 477 U.S. 317, 106 S.Ct. 2548, 2554, 91 L.Ed.2d 265 (1986). The burden then shifts to the nonmoving party to "go beyond the pleadings and . . . designate 'specific facts showing that there is a genuine issue for trial.'" *Celotex*, 106 S.Ct. at 2253, citing Fed.R.Civ.P. 56(e). Assuming there has been adequate time for discovery, summary judgment should then be entered against "a party who fails to make a showing sufficient to establish the existence of an essential element to that party's case, and on which that party will bear the burden of proof at trial." *Id.*

III. Analysis

A. Plaintiff's claims for Federal Common Law of Unfair Competition and Service Mark Infringement.

Initially, defendants argue that the federal common law claims of unfair competition and service mark infringement asserted by plaintiff in Counts II and III of the amended complaint do not state a claim and should be dismissed because no such common law exists. Although plaintiff contends that there in fact exists a federal common law of service mark infringement and unfair competition, it has not cited a single post-*Erie* case sustaining a claim for federal common law service mark infringement off[sic] unfair competition, and the Court's independent research

did not reveal any.²

A dual system of federal and state law provide[sic] the legal grounds for service mark protection. At the federal level, the Lanham Act applies, and at the state level, both the common law of unfair competition and a network of statutory laws apply. Gilson, TRADEMARK PROCEDURE AND PRACTICE, Volume 1, Section 1.04. Thus, while infringement of a federally unregistered trademark may give rise to causes of action under (a) Section 43(a) for federal unfair competition, (b) state unfair competition common law, and (c) a state statute, it does not give rise to causes of action for either federal common law unfair competition or service mark infringement. In sum, federal common law does not serve as a basis for service mark protection, and any development of such a body of law was arrested by *Erie Railroad Co. v. Tompkins*, 304 U.S. 64, 58 S.Ct. 817, 82 L.Ed. 1188 (1938). *Id.* at Section 7.01[1]. See also *Skil Corporation v. Rockwell Int'l. Corp.*, 375 F.Supp. 777, 782 (N.D. Ill. 1974) (In enacting Section 43(a) of the Lanham Act, "Congress undoubtedly recognized and intended to remedy the destructive effect that *Erie* had upon the development of a uniform federal common law of unfair competition . . ."). Counts II and III of plaintiff's amended complaint must therefore be dismissed and summary judgment entered in favor of defendants as to those two counts.

B. Plaintiff's Claim Under the Lanham Act and its Florida Common Law and Statutory Claims.

² At oral argument, plaintiff cited *Keebler Co. v. Rovira Biscuit Corp.*, 624 F.2d 366 (1st Cir. 1980) and *In re Sawyer Electrical Mfg. Co.*, 144 F.2d 893 (C.C.P.A. 1944) in support of its position. Those cases, however, do not stand for the proposition that the federal common law of trademarks and unfair competition developed prior to the Supreme Court's decision in *Erie* applies today.

The remainder of plaintiff's amended complaint consists of claims under Section 43(a) of the Lanham Act, 15 U.S.C. Section 1125(a), Florida's common law of trademark infringement and unfair competition, and Florida's anti-dilution statute, Fla. Stat. Section 495.151. To establish these claims, plaintiff must prove a protectible interest in the mark allegedly infringed.³ *American Television & Communications Corp. v. American Communications & Television, Inc.*, 810 F.2d 1546, 1548 (11th Cir. 1987); *Creamette Co. v. Conlin*, 191 F.2d 108, 111-12, (5th Cir. 1951), *cert. denied*, 342 U.S. 945 (1952) (applying Florida law); *Abner's Beef House Corp. v. Abner's Int'l, Inc.*, 227 So.2d 865, 867 (Fla. 1969); *American Bank v. First American Bank & Trust*, 455 So.2d 433, 445-46 (Fla. 5th DCA 1984); *Marks v. Cayo Hueso, Ltd.*, 437 So.2d 775, 777 (Fla. 3d DCA 1983).

1. Categorizing the Mark.

To ascertain whether plaintiff has a protectible property right in the term "Investacorp", the Court must first categorize it. The cases have identified four categories of terms with respect to service mark protection: (1) generic; (2) descriptive; (3) suggestive; or (4) arbitrary or fanciful. These categories indicate different levels of protectability.

³ To prove a protectible interest, plaintiff must establish that (i) it actually used the mark "Investacorp" before the defendants began using the "Investcorp" mark, and (ii) the "Investacorp" mark is either inherently distinctive or had acquired a secondary meaning prior to the date on which defendants commenced using the same or similar mark." *Co-Rect Products, Inc. v. Marvyl Advertising Photography, Inc.*, 780 F.2d 1324, 1330 (8th Cir. 1985); *Scott Paper Co. v. Scott's Liquid Gold, Inc.*, 589 F.2d 1225, 1231 (3d Cir. 1978); *Abner's Beef House Corp. v. Abner's International Inc.*, 227 So.2d 865 (Fla. 1969). Defendants concede that plaintiff used the mark "Investacorp" before they began using the "Investcorp" mark.

They are summarized as follows in *American Television and Communications Corp. v. American Communications and Television, Inc.*, 810 F.2d 1546, 1548-49 (11th Cir. 1987) (citations omitted):

A generic name suggests the basic nature of the article or service. Most courts hold that a generic term is incapable of achieving trade name protection. A descriptive term identifies a characteristic or quality of an article or service, and may become a protectible trade name only if it acquires a secondary meaning. The distinction between descriptive and generic terms is one of degree. A suggestive term suggests, rather than describes, a characteristic of the goods or services and requires an effort of the imagination by the consumer in order to be understood as descriptive; it requires no proof of secondary meaning to be protectible. An arbitrary or fanciful name bears no relationship to the product or service and is also protectible without proof of secondary meaning.

Defendants assert that the plaintiff cannot establish a protectible interest in the mark allegedly infringed because the term "Investacorp" falls into the descriptive category of terms with respect to legally protectible interests. This requires plaintiff to establish a secondary meaning to the term in order to establish a protectible interest. Plaintiff argues that "Investacorp" is not a descriptive term but an arbitrary or, at least, a suggestive term for which no showing of secondary meaning is necessary.

In determining the mark's status, the Court rejects outright plaintiff's contention that the term "Investacorp" is an arbitrary term. Unlike such marks as EXXON, KODAK, SHELL, CAMEL, and DREFT, which are meaningless in relation to the products, the term "Investacorp" bears a relationship to the service being

offered by plaintiff. The only real issue, therefore, is whether "Investacorp" is a descriptive or suggestive term.

The Court concludes that the term "Investacorp" is a descriptive term. Without the use of imagination, the term forthwith describes the essence of plaintiff's business and conveys to the unknowing an immediate idea of the services being offered by plaintiff. "Because the name does not require 'imagination, thought and perception to reach a conclusion as to the nature of the goods' or services, it cannot be considered a suggestive term." *Vision Center v. Optick, Inc.*, 596 F.2d 111, 116 (5th Cir. 1979) (citing *Stix Products, Inc. v. United Merchants & Mfrs., Inc.*, 295 F.Supp. 479, 488 (S.D.N.Y. 1968)).

Another test used by the Courts in determining the descriptiveness of a mark is the extent to which those engaged in similar businesses have used the phrase. *Vision Center*, 596 F.2d at 117. Here, over eighty listed NASD-registered broker-dealers use the term "invest" in their names. Additionally, the T & T Trademark Research Report submitted by defendants reveals an "Investcorp" in Minnesota, an "Investcorp & Associates" in Dallas, an "Investicorp" in New York and Chicago and another company that sought to register "Investacorp" before the plaintiff did. These facts further support the descriptiveness of plaintiff's mark. See *Vision Center*, 596 F.2d at 117 & n.15 (the court considered that the name "Vision Center" had been adopted by a large number of optical stores in other parts of the nation in finding that name to be descriptive); *Telemed Corp. v. Tel-Med, Inc.*, 588 F.2d 213, 218 (7th Cir. 1978) (court considered that the terms "tel" and "med" likely to form part of trademark use by competitors, and 254 business names began with the prefix "Tel" or "Tele" in the Manhattan Telephone Directory); *American Heritage Life Insurance Co. v. Heritage Life Ins. Co.*, 494 F.2d 3, 11 (5th Cir. 1974) (court considered that the word "heritage" is used in the corporate names of

insurance companies all over the country in finding that term to be descriptive). These facts further support the Court's conclusion that "Investacorp" is a descriptive term.

2. Is there sufficient evidence of secondary meaning?

Although the mark "Investacorp" is descriptive, it may rise to the level of protectability if shown to have acquired a secondary meaning "prior to the date on which the defendant[s] commenced using the same or similar mark." *Co-Rect Products, Inc. v. Marvy! Advertising Photography, Inc.*, 780 F.2d 1324, 1330 (8th Cir. 1985). To establish that its mark has acquired a secondary meaning, plaintiff must show that the consuming public connects the mark with plaintiff rather than the services offered. *American Television*, 810 F.2d at 1549. Only where the plaintiff can show that "the corporate name denotes to the consumer or purchaser 'a single thing coming from a single source'" can a secondary meaning be shown. *American Television*, 810 F.2d at 1549; *American Heritage*, 494 F.2d at 12; *Aloe Creme Laboratories, Inc. v. Milsan, Inc.*, 423 F.2d 845, 850 (5th Cir.), *cert. denied*, 398 U.S. 928 (1970). The intentions or desires of the creator of the mark or its owner are irrelevant; the consumer's state of mind is paramount. *Co-Rect Products*, 790 F.2d at 1330.

The Eleventh Circuit in *Congra, Inc. v. Singleton*, 743 F.2d 1508, 1513 (11th Cir. 1984) identified four types of evidence that are considered in ascertaining whether secondary meaning has attached to a mark: (1) the length and manner of the mark's use; (2) the nature and extent of advertising, promotion and sale; (3) the plaintiff's efforts to promote a conscious connection in the public's mind between the name and the plaintiff's product or business; and (4) the extent to which the public actually identifies

the name with the plaintiff's product or venture.⁴ To establish secondary meaning for a descriptive term, "a high degree of proof is necessary." *American Television*, 810 F.2d at 1549 (citing *Vision Center*, 596 F.2d at 118 and *American Heritage Life Ins. Co. v. Heritage Life Ins. Co.*, 494 F.2d 3, 12 (5th Cir. 1974)). This high standard of proof must be considered by the Court on the parties' motions for summary judgment. See *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986).

In evaluating a claim of secondary meaning, consumer surveys are recognized as the most direct and persuasive evidence of secondary meaning. See, e.g., *Vision Center*, 596 F.2d at 119 ("In assessing a claim of secondary meaning, the chief inquiry is the attitude of the consumer toward the mark; does it denote to him a 'single thing coming from a single source'? Short of a survey, this is difficult of direct proof.") (quoting *Aloe Creme Laboratories, Inc. v. Milsan, Inc.*, 423 F.2d 845 (5th Cir. 1970)). During oral argument, plaintiff conceded that here there is no evidence involving an objective survey of the public's perception of the name "Investacorp."⁵ Instead, the only evidence offered to show secondary meaning was the extent of plaintiff's advertising and the growth of its sales.⁶

⁴ The relevant time period for determining the secondary meaning factor here is 1983, the date defendants first used the mark "Investacorp" in the United States. See *Scott Paper*, 589 F.2d at 1231; *Chase Federal Savings & Loan Assoc.*, 681 F.Supp. 771, 779 (S.D. Fla. 1987).

⁵ This lack of evidence alone is a "significant hindrance to meeting the standard of proof required." *Security Centers, Ltd. v. First National Security Centers*, 750 F.2d 1295, 1301 (5th Cir. 1985) (citing *Vision Center*, 596 F.2d at 119).

⁶ Prior to oral argument, plaintiff failed to point out to the Court in its summary judgment memoranda any evidence of secondary meaning. Instead, plaintiff precariously chose to merely assert that "Investacorp" is not a descriptive term and that even if the term

The amended complaint establishes that in the years 1977 through October, 1983, plaintiff spent a total of \$4,323 in advertising. Plaintiff's estimated volume of sales grew from \$74,825 in October 1978 to more than \$27 million in October 1983.

In considering plaintiff's evidence of advertising expenditures, the Court emphasizes that "it is not the amount of money spent on advertising that is important, but the results achieved with the money spent." *Bank of Texas v. Commerce Southwest, Inc.*, 741 F.2d 785, 788 (5th Cir. 1984) (citing *Aloe Creme Laboratories, Inc. v. Milsan, Inc.*, 423 F.2d 845, 850 (5th Cir. 1970)). Here, there is insufficient evidence that the purchasing public has come to link the term "Investacorp" with plaintiff. Other than its own speculation, plaintiff presented no evidence of the meaning of its name to any investors. There is no testimony of any consumers that "Investacorp" means the plaintiff's business to them. Given this record, the Court cannot conclude that plaintiff's evidence of advertising is sufficient to establish that its promotional efforts were successful in altering the meaning of "Investacorp" to the consuming public.

As to the growth of plaintiff's sales, the Court finds the same weakness as it did with the proffered evidence of advertising. More is needed to establish the necessary consumer association than the mere proof of sales and growth under the mark "Investacorp" because such proof only measures plaintiff's effort to establish secondary meaning - - it does not determine its success. There must also be evidence that the public associates the name "Investacorp" with plaintiff. *See American Television*, 810

"Investacorp" is descriptive, it is entitled to a trial to prove that the term has acquired a secondary meaning.

F.2d at 1549 (evidence of annual reports insufficient without surveys or other evidence of the meaning of plaintiff's name to plaintiff's suppliers and investors). Here, however, there is insufficient evidence establishing that association. As previously noted, other than its own speculation, plaintiff presented no evidence of the meaning "Investacorp" to any investors. There is no testimony that "Investacorp" means the plaintiff's business to them.

Although not relied on by plaintiff as evidence of secondary meaning, the Court notes that the evidence of actual consumer confusion is scant. The evidence in the record consists mostly of anecdotal testimony of plaintiff's own registered representatives that they were unsure and/or concerned as to whether plaintiff was related to defendants.

The remaining evidence amounts to only two alleged incidents of uncertainty as to whether there was a connection between plaintiff and defendants. One of the incidents was related by Mr. John Porter, an employee of FSC Securities Corporation, one of plaintiff's competitors, who testified in deposition that he once contacted plaintiff concerning what he believed to be a NASD compliance problem involving plaintiff, but which actually involved one of the defendants. The other incident involved the testimony of Mr. John Van Heuvelen, the Unit Investment Trust Department's manager at Dean Witter Reynolds Inc., another one of plaintiff's competitors. Mr. Van Heuvelen testified that he had read a Forbes magazine article that he believed was about plaintiff when in fact, it was about defendants.

These instances of confusion were short-lived and involved no customers of plaintiff's business. This evidence is therefore insufficient to establish secondary meaning. See *Safeway Stores, Inc. v. Safeway Discount Drugs, Inc.*, 675 F.2d 1160, 1167 (11th Cir. 1982) ("Short-lived confusion or

confusion of individuals casually acquainted with a business is worthy of little weight . . . while confusion of actual customers of a business is worthy of substantial weight.")

The evidence here falls short of demonstrating that the primary significance of the name "Investacorp" in the minds of consumers of financial products and services is not the product, broker-dealer services, but the producer of the product, Investacorp, Inc. *See Security Centers*, 750 F.2d at 1301 (evidence of the sums spent in advertising, of plaintiff's use of the mark for two years before defendant set up shop, and of defendant's alleged imitation or appropriation of the mark insufficient to establish secondary meaning in the absence of consumer survey). *See also Vision Center*, 596 F.2d at 119 (testimony of seven customers that "Vision Center" meant the plaintiff's business to them, testimony that plaintiff had occasionally received mail addressed to other establishments that had "vision" in their name, evidence that a customer of one of defendant's stores in another city believed the plaintiff and defendant were associated, and recognition of plaintiff's long use of the term insufficient to establish secondary meaning without any consumer survey). Given plaintiff's failure to meet its substantial evidentiary burden as to the issue of secondary meaning, it is appropriate for the court to deny plaintiff's motion for partial summary judgment and grant defendants' motion for summary judgment.⁷

IV. Conclusion

For the reasons stated above, it is ORDERED and ADJUDGED as follows:

⁷ Since the Court concludes that the plaintiff has not met its substantial evidentiary burden with respect to the secondary meaning issue, it need not address the issues of likelihood of confusion, likelihood of injury to business reputation, dilution or abandonment.

1. Plaintiff's motion for partial summary judgment is denied.

2. Defendants' motion for summary judgment as to all claims asserted against them is granted. Summary judgment is entered in favor of the defendants and against plaintiff on each of the six counts contained in the amended complaint.

3. The amended complaint is dismissed with prejudice.

4. Plaintiff's Motion to Compel the Production of Documents and Things is denied as moot.

5. Defendants' Motion In Limine to Exclude Undisclosed Witnesses is denied as moot.

DONE AND ORDERED in Chambers at Miami, Florida this 5th day of September, 1989.

/s/THOMAS E. SCOTT
UNITED STATES DISTRICT JUDGE

Appendix C.

**United States Court of Appeals
for the Eleventh Circuit**

No. 89-6060

**INVESTACORP, INC.,
Plaintiff-Appellant,**

v.

**ARABIAN INVESTMENT BANKING
CORPORATION
(INVESTCORP) E.C. D/B/A INVESTCORP
AND INVESTCORP INTERNATIONAL, INC.
Defendants-Appellees.**

**Before
Johnson and Hatchett, Circuit Judges,

Smith, Senior U.S. Circuit Judge.
(sitting by designation)**

**ON PETITION(S) FOR REHEARING
(July 23, 1991)**

PER CURIAM:

**The petition(s) for rehearing filed by appellant,
Investacorp, Inc. is denied.**

29a

ENTERED FOR THE COURT:

/s/ JOHNSON, J.
UNITED STATES CIRCUIT JUDGE

Appendix D.

**U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE**

**IN REPLY REFER TO THE FOLLOWING AND THE
FILING DATE:**

SERIAL NO.: 73/664563

**APPLICANT: ARABIAN INVESTMENT BANKING
CORPORATION (ETC)**

MARK: INVESTCORP

ACTION NO.: 01

MAILING DATE: 9/17/87

The assigned Examining Attorney has reviewed the referenced application and determined the following.

The name, "Investcorp Funding, Inc.," appears in the record. The Applicant must explain: (1) the relationship between the Applicant and this party, (2) whether that party holds any rights in the mark, (3) how the Applicant benefits from any use of the mark by that party and (4) how the Applicant controls the nature and quality of the service under this use. 37 C.F.R. Section 2.38; TMEP section 1201.09(b).

Pending a satisfactory explanation as to the Investcorp Funding, Inc. requested above, the Examining Attorney refuses registration because the Applicant is not the owner of the mark. Trademark Act Section 1, 15 U.S.C. Section 1051 (1986). Only the owner of a mark may apply to register the mark.

If the Applicant is doing business as, is also known as, or is trading as "Investcorp," the Applicant must amend the preamble of the application to read "Arabian Investment Baking[sic] Corporation dba Investcorp." TMEP section 802.02.

The Applicant must amend the dates-of-use clause to indicate a type of commerce which may be regulated by Congress, for example, territorial commerce or foreign commerce between the United States and a specified foreign country. TMEP section 806.05.

No set form is required for response to this Office action. The Applicant must respond to each point raised. The Applicant should simply set forth the required changes or statements and request that the Office enter them. The Applicant must sign the response. In addition to the identifying information required at the beginning of this letter, the Applicant should provide a telephone number to speed up further processing.

The Examining Attorney has searched the Office records and has found no similar registered or pending mark which would bar registration under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d) (1986). TMEP section 1105.01.

/s/R. Ellsworth Williams
Trademark Attorney
Law Office 6
(703) 557-2937

Appendix E.

**U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE**

SERIAL NO.: 73/664563

**APPLICANT: ARABIAN INVESTMENT
BANKING CORPORATION (ETC)**

MARK: INVESTCORP

ACTION NO.: 02

MAILING DATE: 10/13/87

**TRADEMARK INTERVIEW AND AMENDMENT
RECORD**

EXAMINER'S AMENDMENT:

In accordance with the authorization granted by the above applicant or attorney, the application has been amended as noted below. No response is necessary unless you object to the amendment.

The preamble should be amended to read: Arabian Investment Banking Corporation (Investcorp) E.C. also known as Investcorp.

The dates of use clause should be amended to indicate that the mark in[sic] used in commerce between Bahrain and [the]United States.

Investcorp Funding Inc. is a wholly owned subsidiary of the applicant.

33a

/s/ R. Ellsworth Williams
Law Office 6
(703) 557-2937

Appendix F.

**U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE**

**IN REPLY REFER TO THE FOLLOWING AND THE
FILING DATE**

SERIAL NO.: 73/688188

APPLICANT: INVESTACORP, INC.

MARK: INVESTACORP, INC.

ACTION NO.: 01

MAILING DATE: 1/25/88

The assigned Examining Attorney has reviewed the referenced application and determined the following.

The present recitation of services is unacceptable as indefinite. The Applicant may adopt the following recitation, if accurate: Investment consulting and brokerage services in the fields of securities, mutual funds, partnerships, and other investments. TMEP section 1301.05.

If the Applicant adds new classes in response to the Office action, then the Applicant must comply with each of the following.

(1) The Applicant must submit five additional specimens of use for each new class; these specimens must be of a type which were in use on or before the filing date of the application. TMEP section 1113.01.

- (2) The Applicant must state dates of first use and use in commerce for the mark in each new class; these dates must be on or before the filing date of this application. TMEP section 1113.01.
- (3) The Applicant must submit an affidavit or declaration under 37 C.F.R. Section 2.20 signed by the Applicant to verify (1) and (2) above. 37 C.F.R. Sections 2.71(a) and (b).
- (4) The Applicant must list the services by class with the classes listed in ascending numerical order. TMEP section 1113.01.
- (5) The Applicant must submit a filing fee for each international class of services added to the application; the filing fee is \$200.00 per class. TMEP sections 809.01 and 1113.01.
- (6) If the name of another party appears on new specimens, the Applicant must indicate the relationship between the Applicant and that party, whether that party holds any rights in the mark and how the Applicant controls the use by that party. TMEP section 1201.03.

The Applicant must insert a disclaimer of the descriptive term, "INC.," in the application. Trademark Act Section 6, 15 U.S.C. Section 1056 (1986); TMEP section 904.06.

A properly worded disclaimer should read as follows:

No claim is made to the exclusive right to use the term, "INC.," apart from the mark as shown.

Although the Examining Attorney has searched the Office records and has found no similar registered mark which would bar registration under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d) (1986), the Examining

Attorney has found a pending application which may bar registration.

If this earlier-filed application matures into a registration, the Examining Attorney may refuse registration under Section 2(d) of the Act. The Examining Attorney encloses a copy of the information concerning application Serial No. 664,563. 37 C.F.R. Section 2.83.

/s/Ira J. Goodsaid
Trademark Attorney
Law Office VI (703) 557-2937

37a

Appendix G.

**U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE**

SERIAL NO.: 73/688188

APPLICANT: INVESTACORP, INC.

MARK: INVESTACORP, INC.

ACTION NO.: 02

MAILING DATE: 4/13/88

Action on this application is suspended pending the disposition of application No. 664563.

/s/Ira J. Goodsaid
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(2)
No. 91-646

Supreme Court, U.S.

FILED

NOV 19 1991

OFFICE OF THE CLERK

IN THE
Supreme Court of the United States

OCTOBER TERM, 1991

INVESTACORP, INC.,

Petitioner,

v.

ARABIAN INVESTMENT BANKING CORPORATION
(INVESTCORP) E.C. D/B/A/ INVESTCORP
AND INVESTCORP INTERNATIONAL, INC.,

Respondents.

On Petition for a Writ of Certiorari to
the United States Court of Appeals
for the Eleventh Circuit

RESPONDENTS' BRIEF IN OPPOSITION

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Attorneys for Respondents

November 19, 1991 *Counsel of Record

QUESTIONS PRESENTED

1. Whether the Court of Appeals' refusal to attach a presumption of "suggestiveness" on the United States Patent and Trademark Office's act of passing a mark for publication without proof of secondary meaning, yet prior to registration of the mark, conflicts with decisions from other circuits.

2. Whether this Court should grant certiorari to review the question whether the Court of Appeals properly affirmed the grant of summary judgment to respondents upon a finding that the record, including consideration of third party usage, reveals no genuine issue of material fact.

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TABLE OF AUTHORITIES

CASES:	Pages(s)
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IN THE
Supreme Court of the United States

OCTOBER TERM, 1991

No. 91-646

INVESTACORP, INC.,

Petitioner,

v.

ARABIAN INVESTMENT BANKING CORPORATION
(INVESTCORP) E.C. D/B/A INVESTCORP
AND INVESTCORP INTERNATIONAL, INC.,

Respondents.

**On Petition for a Writ of Certiorari to
the United States Court of Appeals
for the Eleventh Circuit**

RESPONDENTS' BRIEF IN OPPOSITION

Respondents, Arabian Investment Banking Corporation (Investcorp) E.C. D/B/A Investcorp and Investcorp International, Inc., respectfully request that this Court deny the petition for a writ of certiorari seeking review of the Eleventh Circuit's decision in this case.¹

¹ The opinion of the Court of Appeals is now reported at 931 F.2d 1519.

STATEMENT OF THE CASE

Petitioner, Investacorp, Inc., is a Florida corporation whose primary business is providing financial services as a broker/dealer and as an intermediary between individuals, corporations, and institutions seeking investment opportunities. There are two respondents in this case: Arabian Investment Banking Corporation (Investcorp) E.C. ("Investcorp E.C.") and its subsidiary, Investcorp International, Inc.² Investcorp E.C. is an investment bank headquartered in Bahrain which began doing business in the United States under that name in 1983. Investcorp International, Inc. was organized by Investcorp E.C. in November 1986 to continue conducting the business of Investcorp E.C. in the United States.

Respondents filed for federal service mark registration for "Investcorp" in June 1987. The Patent and Trademark Office ("PTO") allowed the "Investcorp" service mark to pass to publication for potential opposition to registration. Petitioner argued in the courts below and argues here, Pet. at 3, that this simple administrative act, without more, establishes that the PTO necessarily "concluded" that the Investcorp mark was "suggestive" rather than merely "descriptive." If the PTO had so concluded, then an evidentiary presumption in favor of "suggestiveness"

² All parties to these proceedings are named in the caption. The parent of Investcorp International, Inc. is Investcorp S.A. The parent of Investcorp S.A. is Investcorp Holdings, Ltd. of which Investcorp E.C. is the parent. The parent of Investcorp E.C. is CP Holdings Limited. The parent of CP Holdings Limited is Investcorp Corporate Holdings Limited of which Sipco Limited is the parent.

would, under the cases, have arisen that might have been of some assistance to petitioner.

Four months later, in October 1987, petitioner filed for federal service mark registration for "Investa-corp." In February 1988, petitioner filed a Notice of Opposition with the Trademark Trial and Appeal Board of the PTO, opposing registration of the Investcorp service mark. The PTO never registered either of these service marks.

Petitioner subsequently sued respondents on several counts of service mark infringement and unfair competition. The district court granted summary judgment in favor of respondents on all counts of the complaint. In a thorough opinion analyzing the relevant facts, the court determined that petitioner does not have a proprietary interest in the mark "Investacorp" because the service mark is "descriptive" and petitioner had not established secondary meaning. On review, the Court of Appeals affirmed the district court's factual determination that the term "Investacorp" is descriptive. That court squarely rejected petitioner's argument that the PTO's action in passing the mark on to publication without proof of secondary meaning entitled it to an evidentiary presumption that the mark was not descriptive. As the Court put it, the record in this case does not establish "whether the PTO even considered the descriptiveness of either mark." Pet. App. at 10a. The court further concluded that third party usage by competitors is probative of distinctiveness and therefore relevant to the distinctiveness inquiry. Pet. App. at 8a.

SUMMARY OF ARGUMENT

The Eleventh Circuit's refusal to apply a presumption of suggestiveness to the PTO's action in passing

the service mark for publication without proof of secondary meaning was compelled by the record before it and is not at variance with any decision by any other Federal Court of Appeals. First, no conflict exists because all of the cases cited by petitioner involve situations in which a service mark has finally been registered by the PTO—a critical distinction that petitioner completely ignores. The presumption embraced by petitioner in the courts below attaches only after registration. Unlike those cases, however, the PTO has taken no such action here; neither the “Investacorp” nor the “Investcorp” mark is registered. Indeed, the court below expressly acknowledged that, where due, “we will bestow proper respect to the determinations of the PTO.” Pet. App. at 10a. Therefore, the Eleventh Circuit’s refusal to apply a rebuttable presumption that the mark was not merely descriptive is not in conflict with any decisions of other Courts of Appeals.

Secondly, not only was the service mark not registered, but the record in this case is totally devoid of any support for the proposition, critical to petitioner’s case, that the PTO made any “determination” or reached any “conclusion” that would warrant deference by the courts below. Instead, petitioner makes only the unsupported assertion that the PTO’s allowance of any mark to pass to publication without proof of secondary meaning, yet prior to registration, must be viewed as a “conclusion” or “determination” that that mark is “suggestive,” entitling it to the same presumption courts have correctly recognized only for those marks that have been granted registration. The decision below is both correct and does not conflict with any decision of any other Court of

Appeals; there is, accordingly, no inter-circuit conflict which this Court need address.

Petitioner's second question is equally unworthy of this Court's review. That question presents no important issue of law, nor are the circuits in conflict regarding any point raised by petitioner. Indeed, the only apparent basis for petitioner's seeking review of this question is to have this Court determine that the court below erred in the manner in which it "relied" upon third party use in affirming the district court's decision that there were no genuine issues of material facts in dispute. Where findings of fact have been made by two courts below, this Court will not expend its limited resources to review alleged errors in their factual determinations.

REASONS WHY THE WRIT SHOULD BE DENIED

I.

The Eleventh Circuit's Decision Is Not In Conflict With the Decisions of Other Circuits

Petitioner quotes the Tenth Circuit's statement that "[m]ost courts that have considered the issue do hold that the PTO's decision to register a mark without requiring proof of secondary meaning creates a rebuttable presumption that the mark is suggestive, arbitrary, or fanciful rather than merely descriptive." *GTE Corporation v. Williams*, 904 F.2d 536, 538 (10th Cir. 1990); Pet. at 4. Petitioner then tries to create a conflict by asserting that the Eleventh Circuit failed to apply the presumption to which petitioner asserts it was entitled by refusing to "defer to that agency's conclusion of protectability." Pet. at 5. Petitioner's attempt to construct a conflict suitable for this Court's

review, however, is severely deficient for several reasons.

First, the cases cited by petitioner for applying the presumption are inapposite to the present case. In each case, the service mark at issue had been *registered* by the PTO without proof of secondary meaning.³ In fact, petitioner itself notes the importance of the act of registration in giving rise to the presumption of suggestiveness:

The significance of registration without proof of secondary meaning . . . is that the Patent and Trademark Office has 'concluded' that the mark or figure was not "merely descriptive" "but suggestive" and this 'essential fact [i.e., the action of the Patent and Trademark Office] must be considered prima facie correct by a court in considering the validity of a trademark'"

Pet. at 5-6 (emphasis added and deleted), *quoting Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1529 (4th Cir. 1984). In the present case, Petitioner concedes, as it must, that neither the "Investacorp" nor the "Investcorp" service marks were granted registration

³ Petitioner cites cases from five different courts of appeal; in all of those cases, the PTO had granted registration to the service marks at issue. See, e.g., *GTE Corporation, supra*; *Papercutter, Inc. v. Fay's Drug Co., Inc.*, 900 F.2d 558, 563 (2d Cir. 1990); *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1190 (6th Cir. 1988); *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1528-29 (4th Cir. 1984); *Playboy Enterprises, Inc. v. Chuckleberry Publishing, Inc.*, 687 F.2d 563, 567 (2d Cir. 1982); *The Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 673 (7th Cir. 1982); *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 11 (2d Cir. 1976).

by the PTO.⁴ There is, therefore, no conflict between the decision below and the decisions of the other circuits relied upon by petitioner.

Undaunted, petitioner attempts to bootstrap the decision below into a conflict by asserting that the PTO's action of passing respondents' mark for publication is tantamount to the "agency's conclusion of protectability" or "the PTO's decision confirming the protectability and registrability of the marks." Petitioner, however, cites no authority whatsoever for the proposition that anything less than registration itself is deserving of or gives rise to this statutorily created presumption. Nor does Petitioner cite a single case in support of its assertion that the preliminary act of passing a mark to publication constitutes a "conclusion," "determination," or "confirmation" by the PTO to which a court should give deference. As the court below correctly responded to petitioner's invitation, "we will not defer to an ethereal determination that is not affirmatively stated by the administrative agency." Pet. App. at 10a. The Court of Appeals correctly withheld application of the pre-

⁴ The evidentiary presumption in which petitioner seeks refuge is created by 15 U.S.C. § 1115(a), which expressly provides only that "registration . . . of a mark shall be admissible in evidence and shall be prima facie evidence of registrant's exclusive right to use the registered mark in commerce" What petitioner in fact asks this Court to do is to rewrite § 1115(a) to extend the statutory evidentiary presumption to a completely different administrative action from that contemplated by § 1115(a) as it presently exists. Passing the policy issues that would be raised by equating an unfinished administrative process with a completed administrative process, in this or virtually any other context involving the administrative state, this Court does not sit as a legislature to revise duly enacted statutes.

sumption; indeed, it would have been clear error to apply the presumption. In any event, it is manifest that the decision below is not in "direct conflict" with the decisions of other Courts of Appeals.

II.

The Second Question Does Not Present an Issue of General Importance And Involves Only a Claim of Factual Error

Petitioner also asks the Court to review the correctness of "the manner in which [the appellate court] relied upon listed 'third party use' " in affirming the judgment. Pet. at 7. Petitioner, however, provides no reasons why this Court should grant review of that question. Petitioner does not contend that a conflict exists with respect to the resolution of this fact-bound question by the courts below. Moreover, an examination of this question reveals that the issue raised is not otherwise grist for the Court's mill because the only issue presented is whether the courts below erred in determining that no genuine issue of material fact existed for purposes of disposing of petitioner's complaint by summary judgment.

It is well established that this Court will deny certiorari to review a lower court decision that turns solely upon an analysis of the particular facts involved. As this Court has stated, "[w]e do not grant a certiorari to review evidence and discuss specific facts." *United States v. Johnston*, 268 U.S. 220, 227 (1925). This Court should deny certiorari all the more when "findings of fact made by the district court receive the concurrence of the court of appeals." R. Stern, E. Gressman & S. Shapiro, *Supreme Court Practice* 218 (6th ed. 1986). Indeed, "[A] court of law, such as this Court is, rather than a court for cor-

rection of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional show of error." *Grover Mfg. Co. v. Linde Co.*, 336 U.S. 271, 275 (1949).

In the present case, the question of third party usage is relevant only to the ultimate finding that petitioner's service mark is descriptive. Petitioner does not dispute that "[t]he distinctiveness categorization given a term is a question of fact," *Investacorp, Inc. v. Arabian Investment Banking Corp.*, 931 F.2d at 1523; Pet. App. at 7a, and recognizes that the court below "also considered third party listings to support its finding." Pet. at 7. Nevertheless, petitioner would ask this Court to review and overrule these findings of fact because, assertedly, "the manner in which [the appellate] court relied upon listed 'third party use' mandates review." Pet. at 7. Specifically, petitioner asserts that the court below erred in relying on a list of users, *inter alia*, to support its finding on this point rather than on a demonstration of actual usage.

In support of this assertion, petitioner erroneously relies upon cases that discuss third party usage in determining the *strength* of a mark rather than its *distinctiveness*. For example, in *Safeway Stores, Inc. v. Safeway Discount Drugs, Inc.*, 675 F.2d 1160, 1164 (11th Cir. 1982) (emphasis added), the court stated: "The words of a mark are not, however, the sole factors determining its *strength*. Also important is the extent of third party use of the words of the mark." See also 1 J. McCarthy, *Trademarks and Unfair Competition*, § 11:26 (1973) ("§ 11:26 Strength and third party use . . . Evidence of third party use of similar

marks on similar goods is admissible and relevant to show that the mark is relatively weak and entitled to only a narrow scope of protection.”) The determination made by the courts below did not go to the strength of petitioner’s mark but to the distinctiveness, *e.g.*, the descriptive, suggestive, or arbitrary nature of the mark. Thus, petitioner’s five assignments of error as to the “manner” the court below considered third party usage are misdirected.

Secondly, even were petitioner’s arguments pertaining to third party usage directed properly at *distinctiveness* rather than at strength of the mark, review by this Court would not lead to the formulation of a new rule to govern similar cases, nor would review by this Court ultimately change the result in this case. Petitioner agrees that third party usage was just one consideration “to support [the court’s] finding.” Pet. at 7. Other factors supporting the lower court’s decision to grant summary judgment include the dictionary definition of the formatives of the mark and the absence of secondary meaning.⁵ Therefore,

⁵ As to the use of formatives, petitioner attempts to construct yet another error that “begs review” by this Court. It alleges that the court below failed to consider the “entirety of the ‘Investacorp’ service mark” and that such action runs contrary to the decision in *Investographs, Inc. v. Dynamics Investment Service, Inc.*, 130 U.S.P.Q. 43 (T.T.A.B. 1961); Pet. at 9. To the contrary, the Court of Appeals expressly considered both the formatives “invest” and “corp” in making its determination. Pet. App. at 8a. Moreover, the Trademark Trial and Appeal Board in *Investographs, Inc.* did not have before it any issue involving the descriptiveness of the marks involved, one of which was registered and the other unregistered. Indeed, the Board stated at the outset that “the only question for determination is whether or not ‘INVEST-O-GRAM’ so resembles ‘INVES-

review by the Court of the second question would not resolve any important legal questions, nor would it ultimately affect the judgment in this case.

Petitioner's objection goes to the manner of the appellate court's application of agreed-to legal principles to the peculiar facts of this case. Thus, petitioner asks this Court to conduct a "review of the record" for error in order to overrule the district court's finding, and the court of appeal's *de novo* review and affirmance of that finding, that the mark is descriptive. That request presents no occasion for the exercise of this Court's certiorari jurisdiction.

CONCLUSION

The first question presented by petitioner is not, contrary to petitioner's argument, a subject of conflict among the Courts of Appeals. The second question presented does not raise substantial legal issues of general applicability and, indeed, centers on a finding of fact that could have significance, if any, only to

TOGRAPHS' as to be likely to cause *confusion* in the trade." *Id.* at 44 (emphasis added). Petitioner's bold attempt to borrow the language of *Investographs, Inc.* for its own purposes is unfounded.

the parties to this case. For these reasons, the petition should be denied.

November 19, 1991 Respectfully submitted,

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